

Status of Audit Resolution

December 2003

Agency: 540

Employment Security Department

Audit Number	Finding Number
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2002F	01E	Finding:	The Employment Security Department is not complying with client eligibility requirements for the Unemployment Insurance program.
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		Resolution/Status:	The Department is currently working on resolving this finding and the resulting questioned costs with the federal grantor.
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An extended benefits component to the Unemployment Insurance program was implemented in January 2002 prior to the reprogramming of the Department's Interactive Voice Response System to accept telephonically communicated work search information in conjunction with the regular weekly claim information. The reprogramming effort was not completed until April 2002. As an interim process, the Department required claimants to submit paper work search records with their weekly claims.

While these paper work search records were unavailable at the time of the audit, it is the Department's position that claimants were not ineligible.

The Department has received a letter from the Regional office of the Department of Labor recommending that the questioned costs be allowed.

		Agency Contact:	Victoria DeBoer, Internal Auditor Employment Security Department Mailstop 46000 Olympia, WA 98504-6000 (360) 438-4854 Vdeboer@esd.wa.gov
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December 2003

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Employment Security Department

Audit Number	Finding Number
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2002F	21	Finding:	The Employment Security Department did not comply with regulations for allocating payroll costs for four Department of Labor federal programs.
		Resolution/Status:	<p>The Department is in the process of implementing corrective action. The Department has re-issued to all management time reporting guidelines that must be followed by all employees. In addition, several management briefings have been conducted statewide to ensure there is good understanding of proper time reporting practices and their underlying principles.</p> <p>The Department is currently in the process of transitioning to a new accounting system. As part of this transition, additional time reporting training will be occurring. There has been improvement in agency time reporting as evidenced by the continuing reduction in the number of exceptions identified by the auditors and the resulting questioned costs. Expected completion date is June 2004.</p>
		Agency Contact:	<p>Victoria DeBoer, Internal Auditor Employment Security Department Mailstop 46000 Olympia, WA 98504-6000 (360) 438-4854 Vdeboer@esd.wa.gov</p>